



June 30, 2019

Portfolio Inception Date 10/31/2002 Separate Account Date 10/31/2002 Total Portfolio Assets \$867.0 million

Portfolio Description

Thrivent High Yield Portfolio invests primarily in corporate bonds that are either unrated or rated as "below investment-grade," commonly known as "junk bonds." Credit rating agencies evaluate bond issuers and assign ratings based on their ability to pay interest and repay principal as scheduled.

Investment Strategy/Process

The portfolio management team seeks to add value through security selection and active management, and monitors risk in an effort to build a well-diversified portfolio. The team uses fundamental, quantitative and technical investment research techniques to determine which securities to buy and sell.

Growth of \$10,000 and Calendar Year Performance (%)

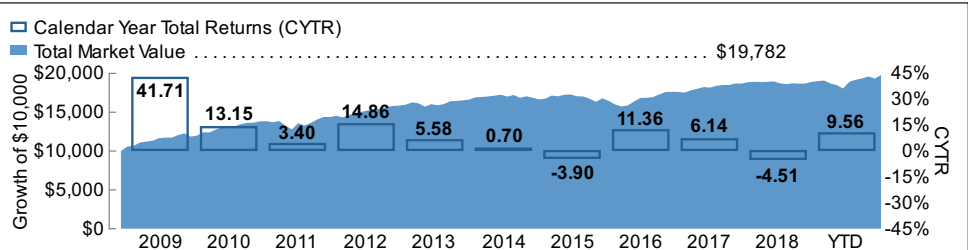


Chart represents the total market value if the contract is not surrendered. Performance reflects the deduction of current mortality and expense charge of 1.25% and applicable annual portfolio operating expenses.

Average Annualized Returns (%)

Periods less than one year are not annualized.

Table with 8 columns: Metric, 3 Month, YTD, 1 Year, 3 Year, 5 Year, 10 Year, Since Incept. Rows include 'If Contract Is Held', 'If Contract Is Surrendered', 'BBgBarc U.S. Corporate High Yield Bond Index', and 'Lipper High Current Yield Funds Median¹'.

All data represents past performance of the subaccount in Thrivent Flexible Premium Deferred Variable Annuity (Contract W-BC-FPVA (05)) and is no guarantee of future results. Total investment returns and principal value of an investment will fluctuate and units, when redeemed, may be worth more or less than the original investment.

Average annualized return calculations assume an initial investment of \$10,000. At various times the investment adviser may have reimbursed Portfolio expenses. Had the investment adviser not done so, the performance data shown would have been lower.

Average annualized returns do not include adjustments for annual administrative or additional feature charges. Maximum surrender charge is 7% if surrendered in the first year and decreases by 1% each subsequent year for the next six years.

¹Source: Lipper. The Lipper median represents the median annualized total return for all reported portfolios in the classification. Lipper medians do not include sales charge/fees. If included, returns would have been lower.

Investment Objective

Thrivent High Yield Portfolio seeks to achieve a higher level of income. The Portfolio will also consider growth of capital as a secondary objective.

Who Should Consider Investing?

The Portfolio may be suitable for investors who:

- Seek a high level of income.
• Have a medium- to long-term investment time horizon and a moderate risk tolerance.
• Are comfortable with a higher level of risk and volatility compared to other bond portfolios.

Portfolio Operating Expense Ratio

Gross: 0.44%
Net: 0.44%

Benchmark(s)

Indexes are unmanaged and do not reflect the fees and expenses associated with active management. Investments cannot be made directly into an index.

- Bloomberg Barclays (BBgBarc) U.S. Corporate High Yield Bond Index is an index which measures the performance of fixed-rate non-investment grade bonds.

Portfolio Management & Experience

Paul J. Ocenasek, CFA

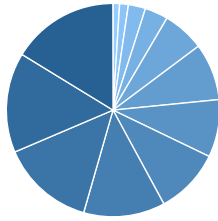
Portfolio Start: 1997

Industry Start: 1987

Risks: The Portfolio primarily invests in high-yield, high-risk bonds, notes, debentures and other debt obligations, or preferred stocks. Credit risk is the risk that an issuer of a debt security may not pay its debt, and high yield securities are subject to increased credit risk, as well as liquidity risk.

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## Portfolio Diversification



Communications	16.3%
Energy	15.2%
Consumer Cyclical	14.2%
Consumer Noncyclical	12.4%
Capital Goods	10.0%
Finance	8.8%
Basic Industry	8.7%
Technology	6.4%
Utilities	3.6%
Cash	2.7%
Transportation	1.4%
Miscellaneous	0.3%

## Top 10 Holdings—excluding derivatives and cash (8.28% of Portfolio, as of 05/31/2019)

The coupon rate is the yield paid by a fixed income security. The maturity date is when the principal of the security is due and payable to the investor.

Security	% of Portfolio	Coupon Rate	Maturity Date
Sprint Corp	1.03%	7.63	02/25
CCO Holdings, LLC	0.95%	5.88	04/24
Cheniere Corpus Christi Holdings, LLC	0.91%	7.00	06/24
Intelsat Jackson Holdings SA	0.91%	5.50	08/23
Alliance Data Systems Corp	0.82%	5.38	08/22
Contura Energy, Inc., Term Loan	0.82%	N/A	11/25
Tenet Healthcare Corp	0.77%	6.25	02/27
CSC Holdings, LLC	0.70%	6.50	02/29
Six Flags Entertainment Corp	0.69%	4.88	07/24
Albertson's	0.68%	6.63	06/24

## Bond Quality Rating Distribution (%)

The lower of the bond ratings assigned by Moody's Investor Services, Inc. or Standard & Poor's® Financial Services, LLC ("S&P"). Investments in derivatives and short-term investments are not included.

Category	Percentage
<b>HIGH QUALITY (HQ)</b>	<b>9.1</b>
Cash	2.8
U.S. Gov't Guaranteed	—
AAA	—
AA	—
A	—
BBB	6.3
<b>HIGH YIELD (HY)</b>	<b>89.6</b>
BB	34.8
B	44.2
CCC	10.3
CC	—
C	—
D	0.3
<b>OTHER</b>	<b>1.3</b>
Non-Rated (NR)	1.3
ETFs/Closed-End Funds (may be (HQ/HY/NR))	—

<sup>2</sup>Turnover Ratio: 12-month rolling as of 05/31/2019. A measure of the Portfolio's trading activity, which is calculated by dividing the lesser of long-term purchases or long-term sales by average long-term market value.

<sup>3</sup>Source: Barclays Capital Indices, POINT. ©2019 Barclays Capital Inc. Used with permission. POINT is a registered trademark of Barclays Capital Inc. Bloomberg Barclays U.S. Aggregate Bond Index measures the performance of U.S. investment-grade bonds.

**Investing involves risk, including the possible loss of principal. The product and summary prospectus contains information on investment objectives, risks, charges and expenses. Read carefully before investing. Available at Thrivent.com. Since every investor's situation is unique, please work with a financial professional to determine which products and strategies are most appropriate for your needs and goals.**

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## PORTFOLIO STATISTICS

Statistics shown below are compared to the Bloomberg Barclays U.S. Aggregate Bond Index. The benchmark is intended to provide a comparison to the broad U.S. bond market, and may not be representative of the Portfolio's investment strategies and holdings.

### Holdings Information

Number of Holdings	293
Turnover Ratio (last 12-months) <sup>2</sup>	39%

### Risk/Volatility Measures

**Standard Deviation:** A statistical measure of volatility. The higher the standard deviation, the riskier an investment is considered to be.

	Portfolio	BBgBarc U.S. Aggregate <sup>3</sup>
3 Year	4.51%	3.08%
5 Year	5.23%	2.89%
10 Year	6.10%	2.87%

### Fixed Income Characteristics

**Average Duration:** A measure of a portfolio's sensitivity to changes in interest rates; the longer the portfolio's duration, the more sensitive it is.

	Portfolio	BBgBarc U.S. Aggregate <sup>3</sup>
Average Duration (years)	3.2	5.8

**Weighted Average Life:** The market-value weighted average of the time remaining until the bond in the portfolio will repay principal.

	Portfolio	BBgBarc U.S. Aggregate <sup>3</sup>
Wtd Avg Life (years)	4.4	8.0